

GENERAL COUNSEL'S REPORT

February 28, 2018

A. Erlanger Behavioral Health, LLC, Chattanooga (Hamilton County), TN – CN1603-012A

Unanimously approved on 8/24/2016 for the establishment of a new 88 bed mental health hospital and initiation of inpatient psychiatric and substance abuse services. Erlanger Behavioral Health, LLC, is 51% majority owned by Erlanger Health System, and 49% owned by Acadia Healthcare.

Request for change of control, with 80% of the membership interests in the LLC allocated to Acadia, and 20% to Erlanger Health System. The Acadia interests have been assigned by Acadia Healthcare Company to its wholly-owned subsidiary, Acadia Chattanooga Holdings, LLC.